



AUSTRALIAN STATISTICS ADVISORY COUNCIL

Annual Report 1999–2000

AUSTRALIAN STATISTICS ADVISORY COUNCIL

Annual Report

1999–2000

ABS Catalogue No. 1002.0

ISSN 0155-0780

ISBN 0 642 25753 1

© Commonwealth of Australia 2000

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without permission from AusInfo. Requests and inquiries concerning reproduction and rights should be addressed to the Manager, Legislative Services, AusInfo, GPO Box 84, Canberra, ACT 2601.

The Honourable Joe Hockey, MP
Minister for Financial Services and Regulation

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 2000.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under sub-section 24(2) of the *Australian Bureau of Statistics Act 1975*.

A handwritten signature in black ink, appearing to read "John MacLeod". The signature is fluid and cursive, with a horizontal line underneath it.

J.D.S. MacLeod
Chairman

* 22 August 2000

* *date approved for printing*

Australian Statistics Advisory Council

Mission

To ensure that, in keeping with Council's statutory charter, the advice furnished to the Minister and the Statistician in relation to the collection and dissemination of statistics has due regard to relative priorities, is objective, relevant, timely, constructive and practical, and that it is sensitive to the needs of both suppliers and users of statistical data.

FOREWORD

June 2000 marked the end of over forty years of service to the Australian Bureau of Statistics by Bill McLennan. His more recent period as Australian Statistician has been one of outstanding achievement. But his contribution to the efficient collection and publication of statistics also had a global aspect. He leaves the Bureau in a position of acknowledged leadership in the world and one where the challenge of international excellence is readily accepted. Bill has had a long association with ASAC and we will miss his forthright contributions.

ASAC welcomed the appointment of Dennis Trewin as Australian Statistician. He has an excellent working arrangement with ASAC and we look forward to major progress by the ABS under his stewardship.

In previous years Council's report has stressed the continuing expansion of the ABS output, especially in innovative work in wholly new areas such as the environment, water, crime, etc. It has been especially pleasing to see the thrust into those sectors of the economy which are growing very quickly but have proved to be somewhat more difficult for statisticians to measure.

ABS publications throughout 2000/2001 will reflect the impact of implementation of taxation reform. Additional data will become available to the ABS for statistical purposes as a result of the new tax system and it is anticipated that in future years this will represent a rich data source for the extension of available statistics.

Work for the forthcoming Census is accelerating and Council is kept advised of its progress. The huge workload associated with the Census collection and the efficiency of the operation are special features. Australia is well served in this work. Council notes the decision on retention of name-identified data in the 2001 Census, which was not the preferred option of Council.



J.D.S. Macleod
Chairman

CONTENTS

Foreword	v
ABS Forward work program	1
Use of taxation data and monitoring the impacts of taxation reform	5
2001 Census of Population and Housing	5
Review of the Household Survey Program	6
Industry classification	6
ABS dissemination activities	7
Appendix 1 New publications and information papers issued in 1999–00	9
Appendix 2 The Australian Statistics Advisory Council	11
Appendix 3 Membership of Council, 30 June 2000	13
Appendix 4 Changes in membership since 30 June 1999	15
Appendix 5 Meetings of Council 1999–00 and attendance at meetings	16
Appendix 6 Members' participation in ABS activities	17
Appendix 7 Freedom of information statement	18

Note: In this Report, after the first reference, the Australian Statistics Advisory Council is referred to as ASAC or the Council, and the Australian Bureau of Statistics as the ABS or the Bureau.

Introduction

This is the twenty-fourth Annual Report of the Australian Statistics Advisory Council, and is made in accordance with sub-section 24(2) of the *Australian Bureau of Statistics Act 1975* which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operations of this Act'.

This report of the Council operations during 1999–00 is presented under each of the broad functions set out in the Act.

Annual and longer term priorities and programs of work

ABS forward work program

This is the most important area of work for ASAC. In considering the ABS forward work program, Council begins the process by identifying major social, economic and political issues of policy significance over the next 3 to 5 years. This priority list is then used to check the ABS priorities. In the area of economic statistics the continuing growth and contribution of service industries, in particular the information technology and related communication sectors, were highlighted by Council, and the ABS was urged to continue to expand coverage of this sector. This emphasis on service industries has been high on the Council's priority list for many years. Areas of social disadvantage, such as the Indigenous community, the unemployed, and regional Australia were highlighted, and there was discussion of the need to understand the implications of rapid change in the labour market.

Council is cognisant of the continuing resource constraints on the ABS and has therefore encouraged initiatives to extend the use of non-ABS sources, such as the data holdings of State, Local and Commonwealth agencies. As an important element of making the most effective use of that data, the ABS needs to assist other government agencies to improve the quality of the information they collect through strategies such as the provision of frameworks and guidelines.

In addition, Council highlighted the need for ABS to add value to its own information and that from other agencies, by appropriate analytical activity and by drawing together data from various ABS collections for ease of reference. Members also commended enhancements in ABS dissemination options and encouraged the ABS to continue to ensure that high quality statistics were not only available, but were widely disseminated throughout government, business and the community. The publication of the ABS 3-year forward work program was seen as one example of how the detail of ABS initiatives was made readily accessible to external users.

ABS forward work program continued

Council also encouraged the ABS to conduct seminars on key issues in the analysis program. Interest was expressed in the work on measuring progress and well-being, productivity, household wealth, and social capital.

Some of the major issues considered by Council are discussed under the following headings:

Indigenous population

Council members placed a high priority on a wider range of information on Australia's Indigenous population. Members referred to the continuing and urgent need for statistics to inform public policy debate and assist in ensuring the effective delivery of services, in the important areas of Indigenous people's health, well-being, housing arrangements, employment, and access to and use of government services. Council noted with satisfaction ABS initiatives aimed at improving and extending the availability of reliable statistics on Indigenous people, particularly for communities and small regional areas.

Regional/rural statistics

Council considers this area of work to also be a high priority and hence was briefed on ABS developments in statistics for regional/rural Australia.

Council strongly supported ABS efforts to identify and facilitate use of information presently available from administrative data sources. Administrative data is a particularly rich and cost effective source of information about regional Australia, but there are obstacles to overcome before such data can be effectively utilised. In particular, there was concern about the quality of administrative data, the validity of comparing administrative data between states or regions, and the inability of many administrative systems to provide valid statistical output. Some members were also concerned that government funding constraints could lead to further reductions in the collection of rural/regional data.

Council Members expressed the view that an improvement in the quality and accessibility of data available from state governments and local authorities should be a higher priority for the ABS. Council congratulated the ABS on the work done so far to address this issue.

Environment

Council's views were sought on the current priorities and activities of the ABS environment statistics program and future priorities of the program.

Information about the environment was identified by Council as a priority, particularly in relation to: natural resources; further development of environmental accounts; classifications, standards and measurement protocols; and emission trading and other greenhouse issues. Council also expressed interest in the collection of data on land clearing, fuel use by sector, and the generation of employment and income data from the environment industries.

Council members encouraged the ABS to continue its innovative progress in the area of environment statistics, and suggested that the scope and quality be assessed by appropriate environmental regulatory and research agencies. Council suggested the use of information collected or obtained from administrative sources, and company annual environmental reports be investigated as part of the work to reduce respondent load.

A recent Productivity Commission report had highlighted duplication and coordination problems in environment statistics, and recommended that the ABS take a stronger coordination, standards and dissemination role in this area. This recommendation was supported by Council.

Information technology and related communication

Council noted ABS initiatives in the area of information technology and related statistics and plans to: increase the frequency of the Business Use Survey from biennial to annual; investigate the data available from Internet service providers on usage; develop greater understanding of the knowledge based economy and its implications; and improve the electronic dissemination of data.

Longitudinal data

Council requested a paper on collecting data through longitudinal surveys. The paper outlined the issues associated with longitudinal surveys, described surveys that have been undertaken both in Australia and overseas, and identified complexities in their conduct and analysis of the results.

Council requested that the ABS monitor developments in longitudinal studies being conducted in Australia and overseas.

Council saw longitudinal data as potentially very useful in describing the dynamics of social change over time for various population groups, and providing a better understanding of the factors involved and their inter-relationships.

Longitudinal data continued

Given the cost of longitudinal collections and the uncertainty about data quality and data analysis, Council encouraged the ABS strategy of assisting others in the development of appropriate methodologies for longitudinal surveys, and use of administrative data for longitudinal analysis rather than direct collection.

Suggestions were made by members on the use of survival rate information, as in epidemiological research, and use of cross sectional data and dynamic micro simulation techniques with well-informed transitional probabilities included in the modelling.

Education and training

Council members identified an extensive list of information needs relating to aspects of education and training statistics. These included: the impact of educational policy on social and economic outcomes; educational equity; and transitions and cycles in education and training. The establishment of the National Centre for Education and Training Statistics was seen as a very positive step in improving statistics in this area.

Labour market issues

This is a major area of work for the ABS and one where significant change is occurring. Council members expressed concern that information on job and income security were dimensions of employment receiving little attention. Other information needs raised by Council included:

- wage setting mechanisms and wage flexibility within workplaces, enterprises and industries;
- job, wage and unemployment histories of labour market participants, including causes of job separations;
- generational aspects of unemployment;
- changing nature of employment, and wage determination (role of minimum wages and awards); and
- patterns of employment, unemployment, and under-employment.

Other matters

Council also encouraged the ABS to provide improved statistics on: the ageing population; the composition and distribution of household wealth and debt; and carer's issues in the context of ageing and disability.

Improvement, extension and coordination of statistical services

Use of taxation data and monitoring the impacts of taxation reform

Council was provided with a progress report on ABS strategies for utilising new taxation data and monitoring the impacts of taxation reform. The main streams of ABS work included: ensuring the continuity of estimates from current ABS statistical series; survey design work using the Australian Business Register (ABR) as the main source for a list of Australian businesses; research into potential data items available from the Business Activity Statement (BAS) and the possibility of using this data to supplement or substitute for directly collected data; and producing State estimates, making use of ATO and ABS data, and potentially using some data modelling techniques.

Council supported ABS efforts in this area and indicated that the use of taxation data will have advantages for small business in the medium term, as it should provide more reliable data while reducing provider load.

2001 Census of Population and Housing

Council was briefed on the progress of the activity taking place in the lead up to the 2001 Census, including the outcomes from the House of Representatives Standing Committee on Legal and Constitutional Affairs report on the retention of the 2001 Census forms.

Council was advised that the Government had announced its decision to allow Australians to choose to have their name identified 2001 Census information retained by the National Archives of Australia and released after 99 years. Legislation to authorise the retention of name-identified 2001 Census information has been passed by Parliament. Council noted that the Minister did not seek its opinion on this decision.

Council was also advised that the topics it had supported at its July 1999 meeting for inclusion in the 2001 Census had received Cabinet endorsement in December 1999. Two additional topics had been included at the request of the Minister for Financial Services and Regulation, without reference to ASAC, relating to home use of personal computers, and use of the Internet.

Review of the Household Survey Program

Council recognises that this is one of the most important ABS collection programs and understands there is a very high level of interest by users in the collection of additional data. Council's views were sought on the findings and recommendations of the Household Survey Program review. It was evident that the level of demand for information from ABS household surveys exceeded the capacity of ABS survey vehicles and resources, and as a consequence there are some important gaps in the statistics. Some tough decisions needed to be made about relative priorities. The review involved reassessing existing and continuing demands against emerging new demands, including the known gaps in the statistical program.

Other Matters

Industry classification

Council was provided with a progress report on industry classifications which addressed fundamental questions, such as: what does 'industry' mean?; what do data users want to know about industry?; how can overlapping industry views be reconciled?; and does "industry" have major relevance in this era of rapid technological change? The ABS highlighted the need to continue to capture complete, unduplicated measure of economic activity, and to ensure that the core industry classification supports this.

Members agreed that in a dynamic environment where industry boundaries are changing, classifications must reflect these changes. Council agreed that the ABS should initiate work for Australia, in conjunction with New Zealand, ahead of international development, and should seek to lead or influence international developments. The United Nations Statistical Commission has also given overall support to the ABS on this initiative.

Council also recommended that the ABS integrate commodity classifications across all collections, including household collections and assess the usefulness of satellite accounts, for example the pioneering ABS work in the tourism industry. The ABS is undertaking work on commodity and purpose classifications following international work in these areas.

ABS dissemination activities

Council has expressed a continuing interest in ABS dissemination activities.

Council members were advised of the launch of a range of ABS "new generation" dissemination services including AUSSTATS, and ABS@. AUSSTATS and ABS@ provide a comprehensive range of ABS material including publications, time series spreadsheets and Census community profiles. AUSSTATS is available to subscribers via the Internet, and ABS@ allows direct access via key clients' Intranet services. Council members supported these new dissemination initiatives.

Council continues to monitor the ABS pricing strategy and stresses that the ABS must not lose sight of its role as a public good provider. The increasing availability of basic ABS information via the ABS website was seen as positive in this respect.

Council congratulated the ABS on its recently signed agreement with the Australian Vice Chancellors Committee (AVCC) which gives 700,000 university staff and students on-line access to AUSSTATS. It complemented the earlier AVCC agreement which gave access to all ABS confidentialised unit record files.

Council was provided with a presentation on the new release of the ABS *Integrated Regional Database* (IRDB). This CD ROM product provides extensive regional data from the ABS, Commonwealth and State sources at the micro and macro level using ABS and non-ABS geography. Members were positive about the functionality and coverage of IRDB and supported ABS in extending its coverage and use.

APPENDIX 1

New statistical publications issued in 1999–00 include

Catalogue no.	Title
3237.2	Population Mobility, Victoria
4109.0	Older People, Australia: A Social Report
4158.0	Directory of Child and Family Statistics
4516.1	Home Security Precautions, New South Wales
4610.0	Water Account for Australia
4710.0	Housing and Infrastructure in Aboriginal and Torres Strait Islander Communities, Australia
4903.6	Balancing Work and Caring Responsibilities, Tasmania
5611.0	Finance, Australia
6344.3	Working Hours of Wage and Salary Earners, Queensland
6423.0	Producer Price Indexes for Selected Service Industries, Australia
8134.0	Use of Information Technology on Farms, Australia, Preliminary
8416.0	Directory of Mining Statistics
8556.0	Market Research Services, Australia
8557.0	Security Services, Australia

Information Papers, Concepts, Sources and Methods Publications and Directories issued in 1999–00 include

Catalogue no.	Title
1358.0	Information Paper: ABS Statistics and the New Tax System
4711.0	Occasional Paper: Hospital Statistics, Aboriginal and Torres Strait Islander Australians
5517.0	Information Paper: Accruals-Based Government Finance Statistics
6293.0.00.005	Occasional Paper: Labour Market Outcomes of Low Paid Adult Workers
6294.0	Information Paper: Labour Force Survey Questionnaire Redesign
6359.0.00.001	Information Paper: Forms of Employment, Australia—Confidentialised Unit Record File
6424.0	Information Paper: Review of the Import Price Index and Export Price Index, Australia
6425.0	Information Paper: Price Indexes and The New Tax System

APPENDIX 2

The Australian Statistics Advisory Council

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the twenty-fourth Annual Report of the Council, and is made in accordance with sub-section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under sub-section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Australian Statistician on:

- (a) *the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;*
- (b) *annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and*
- (c) *any other matters relating generally to those statistical services.*

The Act enables the Minister or the Australian Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Australian Statistician when it considers it appropriate to do so.

The Act provides that the Council shall consist of a part-time Chairman, the Australian Statistician (ex officio), and between ten and twenty two part-time members, including one nominee of each State Premier and the Chief Ministers of the two Territories. The Chairman and members are appointed by the responsible Minister for periods of five years and up to three years respectively, and are eligible for reappointment.

The Chairman receives an annual fee, set by the Remuneration Tribunal, and members are reimbursed their travel costs, where applicable. Apart from the Chairman, no members receive remuneration for serving on the Council. Direct expenditure on ASAC during 1999–00 was \$61,756. These costs are met from the Executive component of the ABS budget allocation.

The Australian Statistics Advisory Council *continued*

Secretariat services for ASAC are provided by the ABS. The office of ASAC Secretary is held by the Assistant Statistician of the ABS Policy Secretariat Branch. Secretariat support, mainly involving organising and recording of meetings, administering membership and the preparation of Council's Annual Report is provided by officers of the Policy Secretariat Branch. The cost of these services, which is included in the Branch's normal running costs, was estimated to be \$57,385.31 during 1999–00. Financial statements for the ABS are included in the ABS Annual Report.

In addition, ABS officers are involved in the preparation of many of the ASAC agenda papers.

APPENDIX 3

Membership of Council, 30 June 2000

		<i>Date first appointed</i>
Mr John Macleod	Chairman	17.3.83
Mr Bill McLennan, AM	Australian Statistician (ex officio)	3.4.95
Ms Christine Bierbaum	Executive Director, Industry Policy and Planning Department of Industry and Trade South Australia	1.12.97
Mr Richard Cox	Director Economic Research and Forecasting New South Wales Treasury	1.5.97
Dr Peter Crossman	Queensland Government Statistician Queensland Treasury	11.3.99
Mr Alan Cullen	Executive Chairman Thinkbank Pty Ltd	1.5.97
Prof. Peter Dawkins	Melbourne Institute of Applied Economics and Social Research University of Melbourne	20.7.99
Mr Clem Doherty	Chairman Like Minded Individuals	1.5.97
Prof. Meredith Edwards, AM	Deputy Vice-Chancellor University of Canberra	1.3.88(a)
Mrs Bridget Faye	Company Director	1.5.97
Dr David Filby	Deputy Director-General Policy and Outcomes Queensland Health Department	1.4.98
Dr Jeff Harmer	Managing Director Health Insurance Commission	3.11.97
Dr Ken Henry	Executive Director The Treasury	1.4.99
Ms Betty Hounslow	Director Australian Council of Social Service	1.5.97

Membership of Council *continued*

		<i>Date first appointed</i>
Dr Steven Kates	Chief Economist Australian Chamber of Commerce and Industry	1.9.91
Mr Mark Kerslake	Deputy Secretary Economic and Financial Policy Division Department of Treasury and Finance Tasmania	1.4.98
Mr Michael Kirby	Director Economic Policy and Financial Strategy Department of Treasury and Finance Victoria	1.9.98
Ms Sandra Lambert	General Manager, Policy Group ACT Chief Minister's Department	3.1.00
Mr Tim Marney	Director Economic Policy Department of Treasury Western Australia	1.7.98
Prof. Max Neutze, AO	Emeritus Professor Australian National University	4.6.86
Dr Ron Sandland	Deputy Chief Executive CSIRO	1.10.94
Mr Tony Stubbins	Director, Economic Analysis Economic Services Division Northern Territory Treasury	3.2.97

(a) Did not serve on Council between April 1990 and March 1995 (reappointed 1.3.95).

APPENDIX 4

Changes in Membership Since 30 June 1999

March 1999	Dr Peter Crossman(a)
July 1999	Prof. Peter Dawkins appointed.
July 1999	Mr Tim Harcourt resigned.
January 2000	Ms Sandra Lambert appointed.

(a) Dr Peter Crossman was appointed for the position of Queensland representative on ASAC on 11 March 1999. His appointment was not reported in the 1998–99 ASAC Annual Report.

APPENDIX 5

Meetings of Council 1999–00

14 July 1999
18 November 1999
30 March 2000

Attendance at meetings

		<i>Meetings attended</i>
Chairman	Mr John Macleod	3
Australian Statistician	Mr Bill McLennan, AM	3
State/Territory Representatives		
New South Wales	Mr Richard Cox	2
	Mr John Diller(a)	1
Victoria	Dr Michael Kirby	3
Queensland	Dr Peter Crossman	3
Western Australia	Mr Tim Marney	1
	Ms Anne Nolan(a)	1
South Australia	Ms Christine Bierbaum	3
Tasmania	Mr Iain Meaney(a)	3
Northern Territory	Mr Tony Stubbin	3
Australian Capital Territory	Ms Sandra Lambert(a)(b)	1
	Mr Hugo Harmstorf(a)	1
	Mr Patrick Stakelum(a)	1
Other members		
current	Mr Alan Cullen	1
	Prof. Peter Dawkins	2
	Mr Clem Doherty	2
	Prof. Meredith Edwards, AM	3
	Mrs Bridget Faye	2
	Dr David Filby	3
	Dr Jeff Harmer	1
	Dr Ken Henry	2
	Dr Paul O'Mara(a)	1
	Ms Betty Hounslow	1
	Dr Steven Kates	3
	Prof. Max Neutze, AO	2
	Dr Ron Sandland	1
	Mr Wayne Jackson(a)	1

(a) proxy

(b) member for part year only—see Appendix 4 for details of changes in membership since 30 June 1999.

APPENDIX 6

Members' Participation in ABS Activities

Economic Statistics User Group

Mr Richard Cox

Dr Steven Kates

Dr Michael Kirby

APPENDIX 7

Freedom of Information Statement

Below is a statement, as required by section 8 of the *Freedom of Information Act 1982*, about the structure of ASAC and how members of the public can obtain access to information held by it.

Establishment, organisation and functions

See The Australian Statistics Advisory Council (page 11).

Powers

As an advisory body, ASAC has no decision-making or other powers directly affecting members of the public. It does not administer any enactments or schemes.

Arrangements for outside participation

ASAC members are appointed by the Minister responsible for the ABS so that a broad range of views and interests is reflected in the advice that it offers to the Minister and the Statistician. Membership details are given on pages 13–14.

Persons or bodies outside the Commonwealth administration may participate in the Council's policy formulation by making representations to the Minister or the Chairman on matters of concern to them.

Categories of documents

The ASAC Annual Report, which is tabled in Parliament, is available from all ABS offices. Files are maintained which contain documents relating to the administration of the Council, papers discussed at Council meetings, summary records of proceedings of meetings and correspondence relating to the activities of the Council.

FOI procedures and initial contact points

All inquiries concerning access to documents, including inquiries under the *Freedom of Information Act 1982*, may be directed on weekdays, between 8.30am and 4.30pm, to the Secretary, Australian Statistics Advisory Council, c/- Australian Bureau of Statistics, Cameron Offices, Belconnen, ACT 2617—telephone (02) 6252 5533.

AUSTRALIAN STATISTICS ADVISORY COUNCIL

Annual Report 1999–2000



2100200007996

ISSN 0155-0780

Produced by the Australian Bureau of Statistics
© Commonwealth of Australia 2000